



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Value Engineering Cost Proposal (VECP) Change Order
Farrington Highway Station Group Contract (FHSGC)
January 24, 2018

Introduction

- Value Engineering Cost Proposal (VECP) are a shared savings between the Owner and Contractor
- Total value of the change - \$1,900,000.
- Bilateral contract change order (CCO) for credit of \$950,000.00.

HART FHSGC GCCC

Section 7.1.9 – Value Engineering Incentive

- (a) “The Contractor may develop and submit value engineering change proposals for drawings, designs, specifications, or other requirements of the Contract **in accordance with HAR 3-132-1** et seq.. If any value engineering change proposal is accepted and approved, in whole or in part, by the Officer-in-Charge, the Contract shall be modified and shall include an equitable adjustment of the Contract price in accordance with this section.”

HAR 3-132-1

Section 3-132-4 – Conditions for Value Engineering Proposal

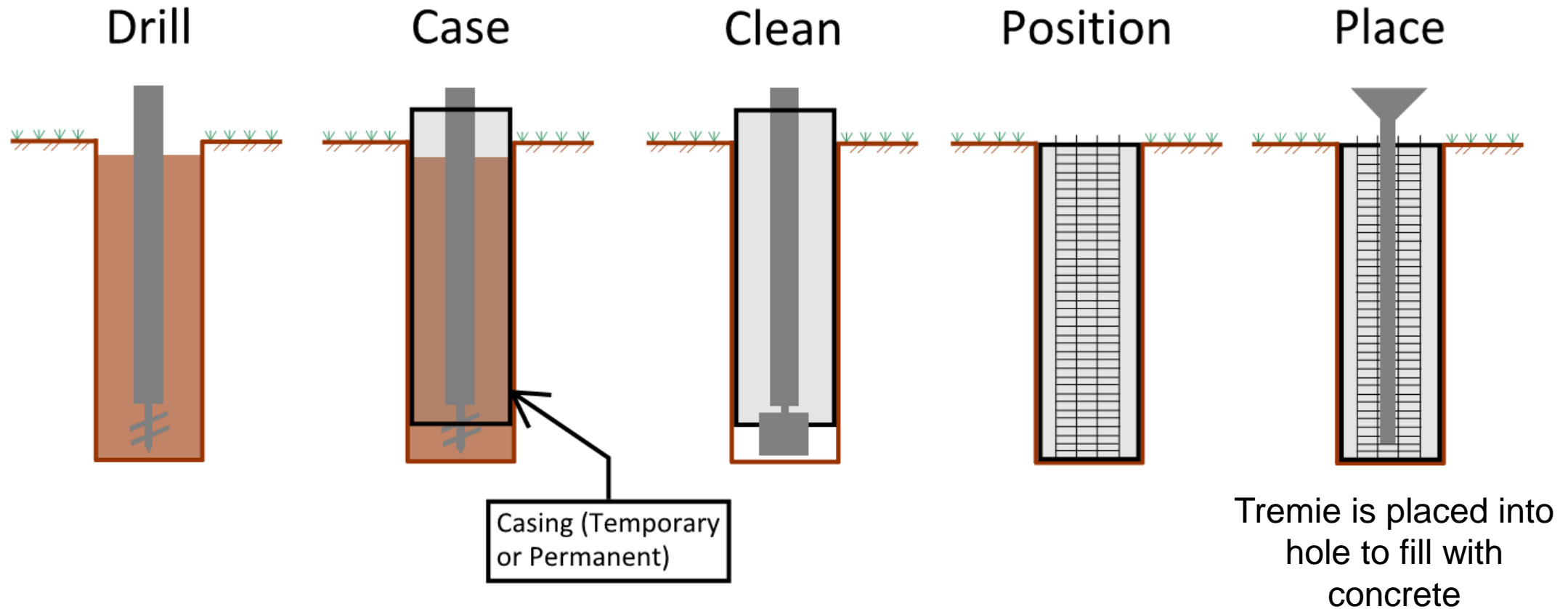
(f) When a value engineering change proposal submitted pursuant to this chapter is accepted under a contract, an equitable adjustment in the contract price and in any other affected provisions of the contract shall be made in accordance with this chapter and the "change order" clause of the contract. The equitable adjustment shall first be established by determining the effect on the contractor's cost of implementing the change, including any amount attributable to subcontractors and to the State's charges to the contractor for architectural, engineering, or other consultant services and the staff time required to examine and review the proposal. **The contract price shall then be reduced by fifty per cent of the net estimated decrease in the cost of performance.**

Pending Contract Change Order No. 00012

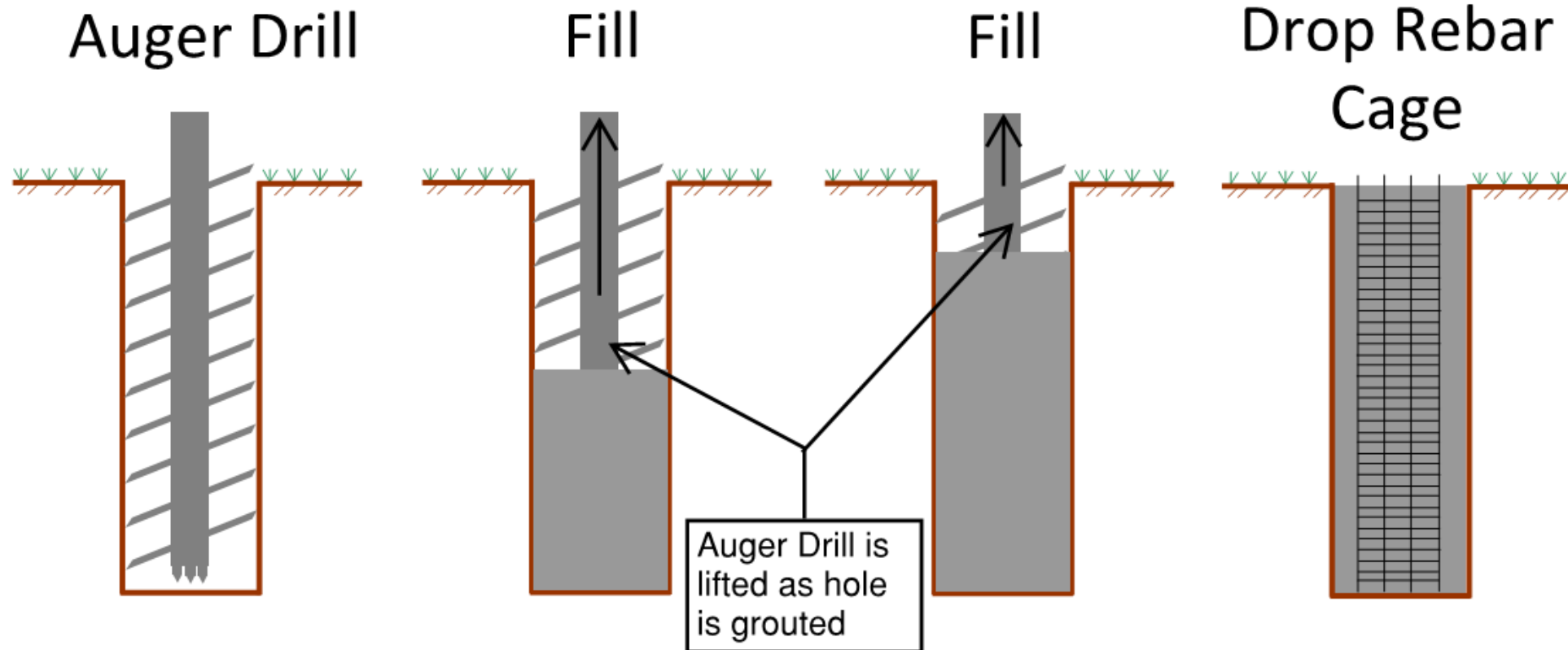
Contract	Description	Negotiated Change Amount
FHSG	Total Savings	\$ (1,900,000)
	Contract Credit	\$ (950,000)

- In accordance with HAR 1-132-1, VECP's are savings that are split between the Owner and Contractor, 50%.

Traditional Drilled Shaft



Auger Cast Grouted Pile



Advantages of Auger Cast Piles (ACGP)

- **Time savings** –
 - 2-3 ACGP per day
 - 2-3 days per drilled shaft.
- **Cost savings** – Faster installation and reduced equipment results in significant cost reduction
- **Reduced risk** – Shaft is supported by auger that is withdrawn as concrete is poured results in less caving and easier management of groundwater.

Summary

CCO replaces seventy-one (71) drilled shaft piles at the Waipahu Transfer Center Station with:

- Sixty-seven (67) ACGP
- Four (4) 72" drilled shafts to support the pedestrian bridge

Contract Credit \$950,000

Mahalo!

